

REMARKS

I. Introduction

Claims 1-19 have been examined and are rejected. Specifically, claims 1-19 are rejected under 35 U.S.C. § 103(a) as allegedly being obvious in view of the teachings of the Anthony publication¹ (“Anthony”). Additionally, claims 12-18 are rejected as allegedly being directed to non-statutory subject matter. Furthermore, claim 11 and the specification are objected to by the Examiner.

II. § 103 Rejections of Claims 1-19

Claims 1-19 stand rejected under § 103(a) as allegedly being unpatentable over Anthony. It is respectfully submitted that Anthony does not teach or suggest the unique combination of features recited in the claims. In particular, claim 1 is amended to further clarify that “the department logic defines a department for transacting the item if the item is supplied with a value-added feature.” Claims 11, 12 and 19, which are the other pending independent claims, are similarly amended.

Anthony fails to teach or suggest any transacting of an item supplied with a value-added feature, let alone defining a department that is operable to transact the item supplied with the value-added feature. To the contrary, those portions of Anthony relied on by the Examiner merely describe allocating overhead costs among cost centers (i.e., the various departments in an organization), as discussed on page 3 of the Office Action. The cost centers described in Anthony do not transact an item supplied with a value-added feature or otherwise account for supplier-related costs. Furthermore, the Examiner’s statement that “producing products is one way in which products may be processed by a department” is irrelevant, as producing a product within a department of an organization does not correspond to transacting an item that is

¹ Anthony et al., *Accounting: Text and Cases*, 1995 (9th ed.), pp. 115-118, 531-534 and 612-616.
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supplied with a value-added feature. Accordingly, claims 1, 11, 12 and 19 are not rendered obvious by Anthony. It follows, that claims 2-10, 13-18 and 20-25 are patentable over Anthony at least by virtue of their dependency.

III. § 101 Rejections of Claims 12-18

The amendments to claims 12-18 overcome the Examiner's rejection of these claims under § 101 as merely reciting a mathematical algorithm in isolation. In particular, claims 12-18, as amended, produce a useful, concrete and tangible result (e.g., outputting a transaction cost) so as to constitute patentable subject matter.

IV. Claim Objections

It is respectfully submitted that the aforementioned amendments to claim 11 overcome the Examiner's objection, as set forth on page 2 of the Office Action.

V. Specification Objections

The specification is amended to correct the minor typographical errors identified by the Examiner (on page 2 of the Office Action), thereby overcoming the Examiner's objections to the specification.

VI. New Claims 20-25

New claims 20-25 are added to obtain an expanded scope of protection. Support for these claims can be found in Applicant's disclosure and, thus, no new matter are introduced by way of these amendments. It is respectfully submitted that new claims 20-25 are patentable over the art of record at least by virtue of their dependency.

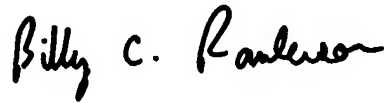
VII. Conclusion

In view of the above, entry and consideration of this Amendment and allowance of claims 1-25 are respectfully requested. If any points remain in issue which the Examiner feels

may be best resolved through a personal or telephone interview, the Examiner is invited to contact the undersigned attorney at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 03-0172. Please also credit any overpayments to said Deposit Account.

Respectfully Submitted,



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